AMENDED IN SENATE JULY 10, 1997 AMENDED IN ASSEMBLY JUNE 2, 1997 AMENDED IN ASSEMBLY MAY 1, 1997 AMENDED IN ASSEMBLY APRIL 2, 1997

CALIFORNIA LEGISLATURE—1997-98 REGULAR SESSION

ASSEMBLY BILL

No. 1204

Introduced by Assembly Member Papan

(Principal coauthors: Senators Karnette and Sher)

February 28, 1997

An act to amend and renumber Sections 8399 and 8399.1 Section 8399 of, and to add Section 8399 and Article 9.7 (commencing with Section 8420 8421) to Chapter 2 of Part 3 of Division 6 of, the Fish and Game Code, relating to fish, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1204, as amended, Papan. Fish-Squid.

(1) Under existing law, squid may be taken for commercial purposes north of Point Conception the year around round, subject to regulations adopted by the Fish and Game Commission specifying the days of the week and the times of the day when squid may be taken. Existing law also prohibits certain activities relating to taking of squid for commercial purposes in Fish and Game District 10.

This bill would allow squid to be taken for commercial purposes the year around without reference to a specific

AB 1204 — 2 —

location and would authorize the commission to adopt regulations, upon recommendation of the Director of Fish and Game, specifying one day of the week, either Saturday or Sunday, when squid may not be taken for commercial purposes.

This bill would recast and renumber the above provisions provision and would provide that they it would remain operative indefinitely.

The bill, until April 1, 2001, would also make it unlawful for a person on a vessel to take or possess squid for commercial purposes except using purse seine, lampara, or scoop nets on a vessel that displays a valid commercial squid vessel owner's permit that has been issued to that vessel's owner, as defined, or the owner's agent by the Department of Fish and Game pursuant to the bill. The bill would specify the fee for the permit and provide for the term of the permit. The bill would provide for transfer of the permit to a replacement vessel under the same ownership and would allow conveyance of the permit to another person by inheritance.

The bill would also authorize the department, by regulation, to specify the forms for agreements between light boats and commercial squid vessels, and other conditions.

- (2) Until April 1, 2001, this bill would prohibit a person from operating a squid light boat unless the owner of the boat has been issued a commercial squid light boat owner's permit by the department, as specified.
- (3) Also, until April 1, 2001, the bill would provide that squid may be sold only to a facility, that among other things, is owned by a person who holds a commercial squid buyer's permit. The bill would provide qualifications for obtaining a commercial squid buyer's permit, provide for the term of the permit, and specify the fee for the permit.

The bill would require all funds collected pursuant to the bill to be used exclusively for the administration, enforcement, and research required pursuant to the bill. The bill would further provide that funds collected by existing landing tax provisions relating to squid be made available for purposes of the bill.

The bill would require the department to undertake necessary research to evaluate the status of the squid fishery

—3— AB 1204

and to make a report on or before June 1, 2000, to the Legislature, as specified, and would authorize the department to adopt regulations, under specified circumstances, to adjust the squid fishing effort. The bill would create a Commercial Squid Advisory Committee to advise the department on its research and recommendations.

The bill would require any statement relating to a commercial squid vessel owner's permit, a commercial squid light boat owner's permit, or a commercial squid buyer's permit made to the department to be made under penalty of perjury.

(4)

This bill would, until April 1, 2001, provide for issuance of commercial market squid vessel permits, commercial squid light boat owner's permits, squid scoop boat vessel owner's permits, and commercial squid buyer's permits.

The bill would also establish qualifications for obtaining those permits.

(2) Existing law makes a violation of the Fish and Game Code a crime.

Because this bill would create new crimes, the bill would impose a state-mandated local program.

(5)

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(6)

(4) Existing law requires fees and landing taxes collected by the department to be deposited in the Fish and Game Preservation Fund and continuously appropriates the fund to the department to carry out the Fish and Game Code and to the commission to pay the salaries and expenses of the members and employees of the commission.

Because this bill would add new fees to be deposited in the fund, would authorize new expenditures of money in the fund, and would impose new duties on the department, the bill would make an appropriation.

AB 1204 — 4—

1

12 13

14 15

16 17

18 19

20

21

22

2324

25

27

28

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 8399 of the Fish and Game Code is amended and renumbered to read:
- 3 8421. Except as otherwise provided in this article, squid may be taken for commercial purposes the year 4 around; however, the commission may adopt regulations, 5 upon recommendation of the director, specifying times of the day when squid may be taken and the 7 commission may also adopt regulations, 9 recommendation of the director, specifying one day of 10 the week, either Saturday or Sunday, when squid may not be taken for commercial purposes. 11
 - SEC. 2. Section 8399.1 of the Fish and Game Code is amended and renumbered to read:
 - 8422. (a) In District 10, it is unlawful to engage in the following activities:
 - (1) Attract squid by a light displayed from any vessel, except a vessel deploying nets for the take, possession, and landing of squid or from the seine skiff of the vessel deploying nets for the take, possession, and landing of squid.
 - (2) Attract squid by a light displayed from any vessel whose primary purpose is not the deployment, or assisting in the deployment, of nets for the take, possession, and landing of squid.
 - (3) To encircle any vessel, other than by the seine skiff of a vessel deploying nets for the take, possession, and landing of squid, while that vessel is engaged in the taking of squid.
- (b) For purposes of this section, "seine skiff" means a vessel that is not licensed by the federal government or registered by the Department of Motor Vehicles, that is used to assist a larger federally-licensed or state-registered fishing vessel by assisting in the deployment and retrieval of nets and the landing of fish, and that travels with that larger fishing vessel at all times,

—5— AB 1204

that is used solely at the direction of the operator of the larger fishing vessel, and that is owned by the owner of the larger fishing vessel.

- SEC. 2. Section 8399 is added to the Fish and Game Code, to read:
- 8399. Holders of permits issued pursuant to Article 9.7 (commencing with Section 8421) of Chapter 2 of Part 3 of Division 6 shall not have a vested right to a greater opportunity to receive a permit established in the future, than a person who does not hold a permit.
- SEC. 3. Article 9.7 (commencing with Section 8420) 8421) is added to Chapter 2 of Part 3 of Division 6 of the Fish and Game Code, to read:

14 15

3

4 5

6

10 11

12 13

16 17

18

19

24

25 26

27 28

30 31 32

33

34

35

Article 9.7. Squid

8420. The following definitions govern construction of this article:

- (a) "Owner" means the person or persons designated as the registered owner of a vessel on a certificate of documentation issued by the United States Coast Guard. An owner also includes any person who has made a significant financial investment in a vessel for the purpose of fishing for squid.
- (b) "Squid" means the species Loligo opalescence which may also be known as "market squid."
- 8423. (a) On a vessel it is unlawful for a person to take or possess squid for commercial purposes unless the vessel displays a valid commercial squid vessel owner's permit issued by the department to the owner of that vessel.

- 8423.5. The department shall issue commercial squid vessel owner's permits in accordance with the following provisions:
- (a) A commercial squid vessel owner's permit shall be 36 issued to the owner of a vessel only if the owner or the owner's agent has a valid commercial fishing license 38 issued pursuant to Section 7852 and presents landing receipts as evidence that he or she has landed a minimum of 50 tons of squid in California on a vessel owned by the

AB 1204 -6-

applicant during any one of the 12-month periods beginning April 16, 1984 1992, and ending April 15, 1997, and the vessel is registered with the department pursuant to Section 7881.

5 (c)

26

- (b) A commercial squid vessel owner's permit may be 6 issued to an owner of a vessel if the owner holds a valid California commercial fishing license issued pursuant to Section 7852 and, between April 15, 1995, and April 15, 10 1997, the owner has made a significant investment in good 11 faith anticipation of entering the California squid fishery contracting for the purchase, 12 *b*v construction, 13 conversion of, a vessel for the purpose of engaging that 14 vessel exclusively or primarily in the California squid 15 fishery using purse seine or lampara gear. The owner shall 16 submit an application to the department for the permit 17 between January 1, 1998, and January 30, 1998, and 18 present the department with any evidence that the 19 department reasonably may require, including 20 affidavit issued under penalty of perjury that the owner 21 made a good faith significant investment with the intent 22 of entering the California squid fishery. For purposes of "significant investment" subdivision, means 24 amount of not less than one hundred thousand dollars 25 (\$100,000).
- (c) The department shall reserve, on a first come first 27 served basis, up to five commercial squid vessel owner's 28 permits to be issued to applicants with at least five years' 29 service as a licensed commercial fisherman on a 30 California-based boat that has traditionally fished for squid, and who provides evidence of the purchase of a purse seine or lampara net fishing boat.
- 33 (d) If the department issues less then 140 commercial 34 squid vessel owner's permits to qualified applicants subdivisions 35 pursuant to (a), (b), and (c). 36 department shall issue permits to applicants selected by 37 lottery. A person who holds a valid California commercial 38 fishing license pursuant to Section 7852, but who does not qualify for a commercial squid vessel owner's permit because of the time and tonnage requirements of

—7— AB 1204

subdivision (b) under subdivision (a), (b), or (c) may be a lottery applicant. As soon as practicable after April 30, 1998, the department shall select from among these lottery applicants, by random drawing, persons to whom it and shall issue commercial squid vessel owner's 5 permits. The number of permits issued to lottery 6 applicants shall be equal to the difference between 140 and the total number of commercial squid vessel owner owner's permits issued to qualified applicants pursuant to subdivision (b) subdivisions (a), (b), and (c). 10

11 12

13

15

17

19

20

21

22

23

24

25

32

33

34

35

36

37

39

- (e) No commercial squid vessel owner's permit shall be issued to a person who takes squid with other than purse seine, lampara, or scoop or lampara nets.
- (e) Notwithstanding any other provision of this article, 16 a person who lands squid to be used for fishing bait, and not for human consumption, is exempt from the permit requirements of this article.
 - (f) The commercial squid vessel owner's permit shall be affixed to the vessel adjacent to the department registration number and shall be visible at all times. The department shall prescribe the size and design of the commercial squid vessel owner's permit.
 - 8424. (a) A commercial squid vessel owner's permit shall be issued for the 1998-99 permit year to a person who submits an application, pays the permit fee, and meets the other requirements of this article. The deadline for submitting permit applications is March 31, 1998. The initial permit shall be valid from April 1, 1998, to March 31, 1999, inclusive, and is renewable upon application. The department shall not deny an application for a permit or permit renewal without good cause.
 - (b) The department shall establish the fee for a commercial squid vessel owner's permit pursuant to Section 8431.
 - (c) No person shall be issued more than one commercial squid vessel owner's permit for each vessel that the person owns. Not more than one commercial squid vessel owner's permit shall be issued for any one vessel.

AB 1204 —8 —

(d) Upon the request of the owner of a commercial squid vessel owner's permit, the department shall authorize the owner to transfer the permit to a replacement vessel under the same ownership, if the vessel to which the permit had been originally affixed is retired from the squid fishery. 6

(e) No person who is issued a commercial squid vessel owner's permit shall sell, trade, or transfer the permit to another person except that the permit may be conveyed by inheritance upon the death of the person to whom the permit had been issued.

8425. (a) No person shall operate a squid light boat unless the owner of the boat has been issued a commercial squid light boat owner's permit by the department and a permit number is affixed to the boat in the manner prescribed by the department.

(b)

1

3

4

5

7 8

9

10

11 12

13

14

15

16 17

18

21

24

25

30 31

35

38

8423.7. A person who applies for a commercial squid 19 vessel owner's permit under Section 8423.5 and whose application is denied by the department may appeal that denial to the commission within 90 days after the issuance of the denial. The appeal shall be in writing and state the reasons why the applicant believes he or she qualifies for a permit under Section 8423.5.

8424. Notwithstanding any other provision of this 26 article, a person who harvests squid for bait purposes shall be exempt from the permit requirements of this article. For purposes of this section, "bait" means squid landed 29 for other than human consumption and in amounts of less than 4,000 pounds per year.

8425. (a) The department shall issue a commercial 32 squid light boat owner's permit to any person who shows evidence, to the satisfaction of the department, that he or 34 she had operated a squid light boat during any one of the 12-month periods beginning April 16, 1984, and ending 36 April 15, 1997. The deadline for submitting permit applications is March 31, 1998. The initial commercial squid light boat owner's permit shall be valid from April 1, 1998, to March 31, 1999, inclusive, and is renewable upon application. The department shall not deny an

—9— AB 1204

application for a permit or permit renewal without good cause. The amount of the permit fee shall be determined pursuant to Section 8431.

3

4

5

8 9

10

12

17

21

22

28

35

37

- (c) The department, by regulation, may control the use of squid light boats. The regulations may specify the forms for agreements between light boats and commercial squid vessels, and other conditions consistent with those established for commercial squid vessels. meets either of the following requirements:
- (1) The person holds a valid California commercial fishing license issued pursuant to Section 7852 and is the owner of a vessel equipped with lights for the exclusive 13 purpose of attracting, but not landing squid and that 14 vessel has been engaged as a squid light boat in any 12-month period beginning April 16, 1992, and ending 16 April 15, 1997. The person shall make an application to the department for a commercial squid light boat owner's 18 permit between January 1, 1997, and January 30, 1998, and 19 provide such evidence to the department as it may 20 reasonably require to confirm that the owner meets the requirements for a permit under this section.
- (2) The person held a valid California commercial 23 fishing license issued pursuant to Section 7852 during any 24 one of the 12-month periods beginning April 16, 1992, and ending April 15, 1997, and who, after April 15, 1995, and on or before April 15, 1997, made a significant investment in good faith anticipation of entering the squid fishery as light boat operator by acquiring materials for converting a vessel to a squid light boat. The person shall submit an application for a permit under this section to the department between January 1, 1998, and January 30, 1998, and present any evidence to the department that it may reasonably require, including an affidavit issued 34 under penalty of perjury, that the applicant made the significant investment with the intent of entering the 36 California squid fishery as a light boat operator. The department may also require the owner to submit proof of the purchase of materials for outfitting a vessel as a squid light boat. For purposes of this paragraph, "significant investment" in a squid light boat conversion

AB 1204 — 10 —

4

5

9

12

13

17

20

21

23

24

25

26

28

29

32

37

means an amount of not less than twenty thousand dollars (\$20,000) towards the purchase of lights or related 3 equipment.

- (b) A denial of a permit by the department under this section may be appealed to the commission within 90 days after the department's denial. The appeal shall be in writing and state the reasons why the applicant believes he or she should be granted a permit under this section.
- (c) The department may adopt regulations to govern 10 the use of squid light boats consistent with the regulations adopted for commercial squid harvesting vessels.
- 8425.5. The department shall issue permits to a squid scoop boat vessel owner for the 1998–99 permit year to a 14 person who submits an application and pays a permit fee 15 in an amount sufficient to cover the costs incurred by the 16 department for issuing the permit. The initial permit shall be valid from April 16, 1998, to April 15, 1999, inclusive, and is renewable upon application. The department shall not deny an application for a permit or permit renewal without good cause.
 - 8426. (a) No person shall purchase squid, unless it is to be used as fishing bait, from any vessel that does not display a valid commercial squid vessel owner's permit.
 - (b) A person with a commercial squid vessel owner's permit may sell squid only to a facility that is owned by a person who holds a commercial squid buyer's permit, employs a certified weighmaster, and is not floating or operating at sea.
- 8427. (a) A commercial squid buyer's permit shall be 30 issued for the 1998-99 permit year to a person who submits an application, pays the permit fee, and meets the other requirements of this section. The deadline for submitting permit applications is March 31, 1998 Applications for a 34 commercial squid buyer's permit shall be submitted to 35 the department between January 1, 1998, and January 30, 36 1998. The initial permit shall be valid from April 1 16, 1998, to March 31 April 15, 1999, inclusive, and shall be renewable upon application to the department. 38 department shall not deny an application for a permit or permit renewal without good cause.

— 11 — AB 1204

The department shall establish the fee for a (b) commercial squid buyer's permit pursuant to Section 8431.

1

2

3

4

5

8

9

10

11

12 13

14

15

16

17

19

22

25

26

27

28

29

30 31

32

33

34

35

- (c) A commercial squid buyer's permit shall be issued only to a person who is licensed pursuant to Section 8031, 8033, or 8034 and who purchased and processed a minimum of 500 tons of squid during any one of the 12-month periods beginning April 16, 1984 1992, and ending April 15, 1997, from a vessel licensed pursuant to Section 7881.
- 8428. (a) The department shall undertake necessary research including, if appropriate, biological assessments to accurately evaluate the status of the squid fishery and make recommendations to the Legislature.
- (b) Notwithstanding Section 7550.5 Government Code, on or before June 1, 2000, the department shall report to the Legislature on the status of the squid fishery and shall make recommendations for a squid conservation and management plan to protect the resource. The recommendations may include whether or not a limited access plan to manage the amount of fishing effort in the squid fishery is necessary and, if so, what eriteria should be used to determine who may participate in the fishery and what the optimum number of vessels should be in the fishery.
- (e) When developing the report required by subdivision (b), the department shall hold regular public meetings in order to do all of the following:
- (1) Consider proposals advanced by interested parties including any proposal or proposals submitted by the Commercial Squid Advisory Committee.
 - (2) Hear public testimony.
- (3) Advise interested parties on the progress of the plan's development.
- (d) There is hereby created a Commercial Squid 36 Advisory Committee that shall advise the department on its research and recommendations. The chair of the advisory committee shall be the director, or his or her designee. In addition to the chair, the committee shall include 10 other members appointed by the director. The

AB 1204 — 12 —

10

11

12 13

14 15

16

17

18

19 20

21

22

27 28

30

31

32

33

34

37

38

director shall attempt to appoint a membership that 2 -competing economic interests, knowledgeable about the resource, and that represents 3 various affected interests. The committee may conduct 4 public hearings and shall submit legislative and 5 regulatory recommendations to the department. 6 Department personnel shall be made available to assist 8 the committee. The members of the committee shall 9 serve without compensation.

- 8429. (a) No permit authorized by this article, the issuance of which is dependent on the permitholder's or permit applicant's possession of an underlying permit or license, shall be issued or remain valid once issued for as long as the underlying permit or license is in a period of suspension or revocation.
- (b) Any person denied a permit authorized by this article may appeal the denial to the commission in writing describing the basis for the appeal. The appeal shall be received by the commission within 60 days after the department's denial.
- (c) Any statement relating to a commercial squid vessel owner's permit, a commercial squid light boat owner's permit, or to a commercial squid buyer's permit made to the department, orally or in writing, shall be made under penalty of perjury. The commission shall revoke the commercial fishing license, the commercial boat registration of any vessel, and, if applicable, any other licenses issued by the department that are held by any person submitting false statements for the purpose of obtaining a commercial squid vessel owner's permit, a commercial squid light boat owner's permit, or a commercial squid buyer's permit.
- 8430. (a) Periodically, the department shall, at public hearings, receive progress reports on the status of its research and the preparation of its recommendations. 36 If the research and report then in preparation indicates the immediate need to adjust the squid fishing effort, and findings of necessity are adopted, the department may adopt regulations that would achieve that objective. Any

-13-**AB 1204**

regulations adopted pursuant to this section shall become inoperative on April 1, 2001.

2

3

4

5

6

8

9

10

11

12 13

14

15

17

21

22

23

25

26

27

30 31

32

- (b) Before taking action pursuant to subdivision (a), the director shall adopt findings that the action to be taken is necessary to maintain the squid resource.
- 8431. (a) All funds collected pursuant to this article shall be used exclusively for the administration, enforcement, and research required pursuant to this article.
- (b) The fee for a commercial squid vessel owner's permit, a commercial squid light boat owner's permit, a commercial squid buyer's permit, and for a renewal of those permits shall be one thousand five hundred dollars (\$1,500). On and after January 1, 1999, the department may reduce the renewal permit fee if it determines that 16 sufficient revenues exist from both private and public sources to conduct the research and develop the 18 recommendations required by this article. Once the research is completed and recommendations are submitted to the Legislature, the permit fees shall be terminated and shall not be collected by the department.
 - (c) The funds collected annually pursuant to paragraph (4) of subdivision (a) of Section 8051 shall be available for the purposes of this article.
 - 8432. Section 8420 and Sections 8423 to 8431, inclusive,
 - (d) Denial of a permit by the department under this section may be appealed to the commission in writing, within 90 days after the department's denial. The appeal shall be in writing and state the reasons why the person should be granted a permit under this section.
 - 8427.5. No person who is issued a permit pursuant to this article may sell, trade, or transfer the permit to another person except that the permit may be conveyed by inheritance upon the death of the person to whom the permit had been issued.
- 35 8432. Sections 8423.5, 8423.7, 8425, 8425.5, 8427, and 36 8432 shall become inoperative on April 1, 2001, and, as of 37 January 1, 2002, are repealed, unless a later enacted 38 statute, that becomes operative on or before January 1,

AB 1204 — 14 —

1 2002, deletes or extends the dates on which they become 2 inoperative and are repealed.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.